



1           **SECTION 3526c.** 450.01 (1x) of the statutes is created to read:

2           450.01 (1x) "Authorized distributor of record" means a wholesale distributor  
3           with whom a manufacturer has established an ongoing relationship to distribute the  
4           manufacturer's prescription drug. For purposes of this subsection, an ongoing  
5           relationship exists between a wholesale distributor and a manufacturer if all of the  
6           following apply:

7           (a) The wholesale distributor, including any affiliated group of the wholesale  
8           distributor, has in effect a written agreement with the manufacturer evidencing the  
9           ongoing relationship.

10          (b) The wholesale distributor, including any affiliated group of the wholesale  
11          distributor, is included in the manufacturer's current list of authorized distributors  
12          of record.

13           **SECTION 3526d.** 450.01 (2m) of the statutes is created to read:

14          450.01 (2m) "Colicensed" means, with respect to a partner or product, that 2  
15          or more parties have the right to engage in marketing or manufacturing of a product  
16          consistent with the federal food and drug administration's implementation of the  
17          federal prescription drug marketing act.

18           **SECTION 3526e.** 450.01 (9m) of the statutes is created to read:

19          450.01 (9m) "Drop shipment" means a sale of a prescription drug to a wholesale  
20          distributor by the manufacturer of the drug, by the manufacturer's colicensed  
21          product partner, by the manufacturer's 3rd party logistics provider, or by the  
22          manufacturer's exclusive distributor, to which all of the following apply:

23          (a) The wholesale distributor or chain pharmacy warehouse takes title to, but  
24          not physical possession of, the drug.

1 (b) The wholesale distributor invoices a pharmacy, a chain pharmacy  
2 warehouse, or a person authorized to dispense or administer the drug to a patient.

3 (c) The pharmacy, chain pharmacy warehouse, or person authorized to  
4 dispense or administer the drug receives delivery of the drug directly from the  
5 manufacturer, the manufacturer's 3rd party logistics provider, or the manufacturer's  
6 exclusive distributor.

7 **SECTION 3526f.** 450.01 (11m) of the statutes is created to read:

8 450.01 (11m) "Facility" means a location where a wholesale distributor stores,  
9 handles, repackages, or offers for sale prescription drugs.

10 **SECTION 3526g.** 450.01 (11r) of the statutes is created to read:

11 450.01 (11r) "Intracompany sales" means any transaction or transfer between  
12 any division, subsidiary, parent, or affiliated or related company under common  
13 ownership and control of a corporate entity or any transaction or transfer between  
14 colicensees of a colicensed product.

15 **SECTION 3526h.** 450.01 (12) of the statutes is amended to read:

16 450.01 (12) "Manufacturer" means a person licensed by the board under s.  
17 450.07 (1) or approved by the federal food and drug administration to engage in the  
18 manufacture of drugs or devices, consistent with the definition of "manufacturer"  
19 under the federal food and drug administration's regulations and interpreted  
20 guidances implementing the federal prescription drug marketing act.

21 **SECTION 3526i.** 450.01 (12m) of the statutes is created to read:

22 450.01 (12m) "Manufacturer's exclusive distributor" means a person that  
23 contracts with a manufacturer to provide or coordinate warehousing, distribution,  
24 or other services on behalf of the manufacturer and who takes title to the

1 manufacturer's prescription drug but who does not have general responsibility to  
2 direct the sale or disposition of the drug.

3 **SECTION 3526j.** 450.01 (13r) of the statutes is created to read:

4 450.01 (13r) (a) "Normal distribution channel" means a chain of custody for a  
5 prescription drug that runs, directly or by drop shipment, from the manufacturer of  
6 a drug, from the manufacturer to the manufacturer's colicensed partner, from the  
7 manufacturer to the manufacturer's 3rd-party logistics provider, or from the  
8 manufacturer to the manufacturer's exclusive distributor, and continues as  
9 described in any of the following:

10 1. To a pharmacy or to a person authorized to dispense or administer a drug to  
11 a patient.

12 2. To an authorized distributor of record, and then to a pharmacy or to a person  
13 authorized to dispense or administer a drug to a patient.

14 3. To an authorized distributor of record, then to one other authorized  
15 distributor of record, then to an office-based practitioner.

16 4. To a pharmacy warehouse to the pharmacy warehouse's intracompany  
17 pharmacy, then to a patient or to a person authorized to dispense or administer a  
18 drug to a patient.

19 5. To an authorized distributor of record, then to a pharmacy warehouse, then  
20 to the pharmacy warehouse's intracompany pharmacy, then to a patient or to a  
21 person authorized to dispense or administer a drug to a patient.

22 (b) For purposes of this subsection, a distribution of a prescription drug to a  
23 warehouse or to another entity that redistributes the drug by intracompany sale to  
24 a pharmacy or to another person authorized to dispense or administer the drug

1 constitutes a distribution to the pharmacy or to the person authorized to dispense or  
2 administer the drug.

3 **SECTION 3526k.** 450.01 (14m) of the statutes is created to read:

4 450.01 (14m) "Pedigree" means a document or electronic file containing  
5 information that records each distribution of a prescription drug.

6 **SECTION 3526km.** 450.01 (15m) of the statutes is created to read:

7 450.01 (15m) "Pharmacy warehouse" means a physical location for  
8 prescription drugs that acts as a central warehouse and performs intracompany  
9 sales.

10 **SECTION 3526kr.** 450.01 (20) of the statutes is amended to read:

11 450.01 (20) "Prescription drug" means all of the following, but does not include  
12 blood, blood components intended for transfusion, or biological products that are also  
13 medical devices:

14 (a) ~~Any~~ A drug, drug product, or drug-containing preparation ~~which~~ that is  
15 subject to 21 USC 353 (b) or 21 CFR 201.105.

16 (b) ~~Any~~ A controlled substance included in schedules II to V of ch. 961, whether  
17 by statute or rule, except ~~substances which~~ a substance that by law may be dispensed  
18 without the prescription order of a practitioner. Controlled substances are included  
19 within this definition for purposes of s. 450.11 (3), (4) (a), and (8) only and for  
20 violations thereof punishable under s. 450.11 (9).

21 **SECTION 3526L.** 450.01 (21e) of the statutes is created to read:

22 450.01 (21e) "Repackage" means to repack or otherwise change the container,  
23 wrapper, or label of a prescription drug, except that "repackage" does not include any  
24 of the following:

1 (a) An action by a pharmacist with respect to a prescription drug that the  
2 pharmacist is dispensing.

3 (b) An action by a pharmacist who receives a prescription drug or device that  
4 the pharmacist dispensed to a patient, if, after altering the packaging or labeling of  
5 the prescription drug or device, the pharmacist returns the prescription drug or  
6 device to the patient.

7 **SECTION 3526m.** 450.01 (21m) of the statutes is created to read:

8 450.01 (21m) "Repackager" means a person that repackages.

9 **SECTION 3526n.** 450.01 (21s) of the statutes is created to read:

10 450.01 (21s) "Third party logistics provider" means a person that contracts  
11 with a prescription drug manufacturer to provide or coordinate warehousing,  
12 distribution, or other services on behalf of the manufacturer but that does not take  
13 title to the manufacturer's prescription drug or have general responsibility to direct  
14 the prescription drug's sale or disposition.

15 **SECTION 3526o.** 450.01 (23) of the statutes is created to read:

16 450.01 (23) "Wholesale distribution" means distribution of a prescription drug  
17 to a person other than a consumer or patient, but does not include any of the  
18 following:

19 (a) Intracompany sales of prescription drugs.

20 (b) The sale, purchase, distribution, trade, or transfer of a prescription drug or  
21 offer to sell, purchase, distribute, trade, or transfer a prescription drug for emergency  
22 medical reasons.

23 (c) The distribution of prescription drug samples, if the distribution is  
24 permitted under 21 CFR 353 (d).

1 (d) Drug returns, when conducted by a hospital, health care entity, or  
2 charitable institution as provided in 21 CFR 203.23.

3 (e) The sale of minimal quantities, as defined by the board in an administrative  
4 rule, of prescription drugs by retail pharmacies to licensed practitioners for office  
5 use.

6 (f) The sale, purchase, or trade of a drug, an offer to sell, purchase, or trade a  
7 drug, or the dispensing of a drug pursuant to a prescription.

8 (g) The sale, transfer, merger, or consolidation of all or part of the business of  
9 a pharmacy from or with another pharmacy, whether accomplished as a purchase  
10 and sale of stock or business assets.

11 (h) The sale, purchase, distribution, trade, or transfer of a prescription drug  
12 from one authorized distributor of record to one additional authorized distributor of  
13 record, if the manufacturer states in writing to the receiving authorized distributor  
14 of record that the manufacturer is unable to supply the drug and the supplying  
15 authorized distributor of record states in writing that the drug has previously been  
16 exclusively in the normal distribution channel.

17 (i) The delivery of, or offer to deliver, a prescription drug by a common carrier  
18 solely in the common carrier's usual course of business of transporting prescription  
19 drugs, if the common carrier does not store, warehouse, or take legal ownership of  
20 the drug.

21 (j) A transaction excluded from the definition of "wholesale distribution" under  
22 21 CFR 203.3 (cc).

23 (k) The donation or distribution of a prescription drug under s. 255.056.

24 (L) The transfer from a retail pharmacy or pharmacy warehouse of an expired,  
25 damaged, returned, or recalled prescription drug to the original manufacturer or

1 original wholesale distributor or to a 3rd-party returns processor or reverse  
2 distributor.

3 (m) The return of a prescription drug, if the return is authorized by the law of  
4 this state.

5 **SECTION 3526p.** 450.01 (24) of the statutes is created to read:

6 450.01 (24) "Wholesale distributor" means a person engaged in the wholesale  
7 distribution of prescription drugs, including manufacturers, repackagers, own-label  
8 distributors, private label distributors, jobbers, brokers, warehouses, including  
9 manufacturers' and distributors' warehouses, manufacturers' exclusive  
10 distributors, manufacturers' authorized distributors of record, prescription drug  
11 wholesalers and distributors, independent wholesale prescription drug traders, 3rd  
12 party logistics providers, retail pharmacies that conduct wholesale distribution, and  
13 chain pharmacy warehouses that conduct wholesale distribution."

14 **188.** Page 1383, line 14: before that line insert:

15 "SECTION 3530a. 450.07 (title) of the statutes is amended to read:

16 **450.07 (title) Manufacturers and distributors; licensure."**

17 **189.** Page 1383, line 18: after that line insert:

18 "SECTION 3530b. 450.07 (2) of the statutes is repealed.

19 **SECTION 3530c.** 450.07 (3) of the statutes is repealed.

20 **SECTION 3530d.** 450.07 (4) (c) of the statutes is created to read:

21 450.07 (4) (c) The rules adopted by the board under par. (b) shall require a  
22 manufacturer to maintain and to update at least once per month a list of the  
23 manufacturer's authorized distributors of record.

24 **SECTION 3530e.** 450.071 of the statutes is created to read:

1           **450.071 Wholesale distributors; licensure.** (1) No person may engage in  
2 the wholesale distribution of a prescription drug in this state without obtaining a  
3 license from the board for each facility from which the person distributes  
4 prescription drugs. The board shall exempt a manufacturer that distributes  
5 prescription drugs or devices manufactured by the manufacturer from licensing and  
6 other requirements under this section to the extent the license or requirement is not  
7 required under federal law or regulation, unless the board determines that it is  
8 necessary to apply a requirement to a manufacturer.

9           (2) An applicant shall submit a form provided by the board showing all of the  
10 following and swear or affirm the truthfulness of each item in the application:

11           (a) The name, business address, and telephone number of the applicant.

12           (b) All trade or business names used by the applicant.

13           (c) Names, addresses, and telephone numbers of contact persons for all  
14 facilities used by the applicant for the storage, handling, and distribution of  
15 prescription drugs.

16           (d) The type of ownership or operation for the applicant's business.

17           (e) If the applicant's wholesale distribution business is a partnership, the name  
18 of each partner and the name of the partnership.

19           (f) If the applicant's wholesale distribution business is a corporation, the name  
20 of each corporate officer and director, the name of the corporation, and the state of  
21 incorporation.

22           (g) If the applicant's wholesale distribution business is a sole proprietorship,  
23 the name of the sole proprietor and the name of the business entity.

24           (h) A list of all licenses and permits issued to the applicant by any other state  
25 that authorizes the applicant to purchase or possess prescription drugs.



1 (i) The name, address, and telephone number of a designated representative.

2 (j) For the person listed in par. (i), a personal information statement that  
3 contains all of the following:

4 1. The person's date and place of birth.

5 2. The person's places of residence for the 7-year period immediately preceding  
6 the date of the application.

7 3. The person's occupations, positions of employment, and offices held during  
8 the 7-year period immediately preceding the date of the application.

9 4. The name and addresses for each business, corporation, or other entity listed  
10 in subd. 3.

11 5. A statement indicating whether the person has been, during the 7-year  
12 period immediately preceding the date of the application, the subject of any  
13 proceeding for the revocation of any business or professional license and the  
14 disposition of the proceeding.

15 6. A statement indicating whether the person has been, during the 7-year  
16 period immediately preceding the date of the application, enjoined by a court, either  
17 temporarily or permanently, from possessing, controlling, or distributing any  
18 prescription drug, and a description of the circumstances surrounding the  
19 injunction.

20 7. A description of any involvement by the person during the past 7 years with  
21 any business, including investments other than the ownership of stock in a publicly  
22 traded company or mutual fund, that manufactured, administered, prescribed,  
23 distributed, or stored pharmaceutical products or drugs, and a list of any lawsuits  
24 in which such a business was named as a party.

1           8. A description of any misdemeanor or felony criminal offense of which the  
2 person was, as an adult, found guilty, whether adjudication of guilt was withheld or  
3 the person pleaded guilty or no contest. If the person is appealing a criminal  
4 conviction, the application shall include a copy of the notice of appeal, and the  
5 applicant shall submit a copy of the final disposition of the appeal not more than 15  
6 days after a final disposition is reached.

7           9. A photograph of the person taken within the 12-month period immediately  
8 preceding the date of the application.

9           (k) A statement that each facility used by the applicant for the wholesale  
10 distribution of prescription drugs has been inspected in the 3-year period  
11 immediately preceding the date of the application by the board, a pharmacy  
12 examining board of another state, the National Association of Boards of Pharmacy,  
13 or another accrediting body recognized by the board, with the date of each such  
14 inspection.

15           (3) The board shall grant a license to the applicant to engage in the wholesale  
16 distribution of prescription drugs if all of the following apply:

17           (a) The applicant pays the fee under s. 440.05 (1) (a), except that before June  
18 1, 2010, the amount of the initial fee is \$350.

19           (b) The inspections conducted pursuant to sub. (2) (k) satisfy requirements  
20 adopted by the board for wholesale distribution facilities.

21           (c) All of the following apply to each person identified by the applicant as a  
22 designated representative:

23           1. The person is at least 21 years old.

1           2. The person has been employed full time for at least 3 years in a pharmacy  
2 or with a wholesale prescription drug distributor in a capacity related to the  
3 dispensing and distribution of, and record keeping related to, prescription drugs.

4           3. The person is employed by the applicant full time in a managerial level  
5 position.

6           4. The person is physically present at the wholesale prescription drug  
7 distributor's facility during regular business hours and is involved in and aware of  
8 the daily operation of the wholesale prescription drug distributor. This subdivision  
9 does not preclude the designated representative from taking authorized sick leave  
10 and vacation time or from being absent from the facility for other authorized  
11 business or personal purposes.

12           5. The person is actively involved in and aware of the daily operations of the  
13 wholesale distributor.

14           6. The person is a designated representative for only one applicant at any given  
15 time. This subdivision does not apply if more than one wholesale distributor is  
16 located at the facility and the wholesale distributors located at the facility are  
17 members of an affiliated group.

18           7. The person has not been convicted of violating any federal, state, or local law  
19 relating to wholesale or retail prescription drug distribution or distribution of a  
20 controlled substance.

21           8. The person has not been convicted of a felony.

22           9. The person submits to the department 2 fingerprint cards, each bearing a  
23 complete set of the applicant's fingerprints. The department of justice shall provide  
24 for the submission of the fingerprint cards to the federal bureau of investigation for  
25 the purposes of verifying the identity of the applicant and obtaining the applicant's

1 criminal arrest and conviction record. This subdivision does not apply to a person  
2 accredited by the national association of boards of pharmacy's verified-accredited  
3 wholesale distributor program.

4 (3m) Notwithstanding subs. (2) and (3), the board may grant a license to  
5 engage in the wholesale distribution of prescription drugs to a person who is  
6 domiciled in another state and is licensed to engage in the wholesale distribution of  
7 prescription drugs in another state, if the board determines that the standards for  
8 licensure in the state in which the person is licensed are at least as stringent as the  
9 standards for licensure under this section.

10 (4) The board may set, by rule, continuing education requirements for  
11 designated representatives under this section.

12 (5) (a) The board shall require every wholesale distributor to submit a surety  
13 bond acceptable to the board in an amount not to exceed \$100,000 or other equivalent  
14 means of security acceptable to the board, except that the board shall not require  
15 submission of a bond or other security under this subsection by a chain pharmacy  
16 warehouse that is engaged only in intracompany transfers. A wholesale distributor  
17 that operates more than one facility is not required to submit a bond or other security  
18 under this paragraph for each facility.

19 (b) The bond or other security under this subsection shall be used to secure  
20 payment of fees or costs that relate to the issuance of a license under this section and  
21 that have not been paid within 30 days after the fees or costs have become final. No  
22 claim may be made against a wholesale distributor's bond or other security under  
23 this subsection more than one year after the date on which the wholesale  
24 distributor's license expires.

1           (6) Applications for licensure under this section are not subject to inspection  
2 or copying under s. 19.35, and may not be disclosed to any person except as necessary  
3 for compliance with and enforcement of the provisions of this chapter.

4           **SECTION 3530eg.** 450.071 (3) (a) of the statutes, as created by 2007 Wisconsin  
5 Act .... (this act), is amended to read:

6           450.071 (3) (a) The applicant pays the fee under s. 440.05 (1) (a), ~~except that~~  
7 ~~before June 1, 2010, the amount of the initial fee is \$350.~~

8           **SECTION 3530g.** 450.072 of the statutes is created to read:

9           **450.072 Wholesale distributors; restrictions on transactions.** (1) A  
10 wholesale distributor shall receive prescription drug returns or exchanges from a  
11 pharmacy, a person authorized to administer or dispense drugs, or a pharmacy's  
12 intracompany warehouse pursuant to the terms and conditions of the agreement  
13 between the wholesale distributor and the pharmacy or chain pharmacy warehouse.  
14 A wholesale distributor that receives returns of expired, damaged, recalled, or  
15 otherwise nonsaleable prescription drugs may distribute the prescription drugs only  
16 to the original manufacturer of the products or to a 3rd party returns processor.  
17 Notwithstanding s. 450.073, returns or exchanges of saleable or nonsaleable  
18 prescription drugs, including any redistribution by a receiving wholesaler, are not  
19 subject to pedigree requirements under s. 450.073 if the returns or exchanges are  
20 exempt from the pedigree requirement under the federal food and drug  
21 administration's current guidance on the federal prescription drug marketing act.  
22 A person licensed under s. 450.071 or a pharmacy or other person authorized to  
23 administer or dispense drugs shall ensure that the person or pharmacy's return  
24 process is secure and does not permit the entry of adulterated and counterfeit  
25 products.

1           **(2)** (a) A manufacturer or wholesale distributor may not deliver prescription  
2       drugs to a person unless the person is licensed under s. 450.071 or 450.06 or by the  
3       appropriate licensing authority of another state. A manufacturer or wholesale  
4       distributor may not deliver prescription drugs to a person that is not known to the  
5       manufacturer or wholesale distributor unless the manufacturer or wholesale  
6       distributor has verified with the board or with the licensing authority of the state in  
7       which the person is located that the person is licensed to receive prescription drugs.

8           (b) A manufacturer or wholesale distributor may distribute a prescription drug  
9       only to the premises listed on the person's license or authorization, except that a  
10      manufacturer or wholesale distributor may distribute the prescription drugs to an  
11      authorized agent of the person at the premises of the manufacturer or wholesale  
12      distributor if all of the following are true:

13           1. The manufacturer or wholesale distributor documents the authorized  
14      agent's name and address.

15           2. Distribution to an authorized agent is necessary to promote or protect the  
16      immediate health or safety of the authorized agent's patient.

17           (c) A manufacturer or wholesale distributor may distribute a prescription drug  
18      to a hospital pharmacy receiving area if a licensed pharmacist or another authorized  
19      recipient signs, at the time of the distribution, a receipt that shows the type and  
20      quantity of prescription drugs distributed. If there is a discrepancy between the type  
21      and quantity of prescription drugs indicated on the receipt and the type and quantity  
22      of prescription drugs received at the hospital pharmacy receiving area, the  
23      discrepancy shall be reported to the manufacturer or wholesale distributor that  
24      distributed the prescription drugs no later than the day immediately following the

1 date on which the prescription drugs were distributed to the hospital pharmacy  
2 receiving area.

3 (d) No manufacturer or wholesale distributor may accept payment for, or allow  
4 the use of, a person's credit to establish an account for the purchase of a prescription  
5 drug from any person other than the owner of record, the chief executive officer, or  
6 the chief financial officer identified on the license or authorization of a person who  
7 may receive prescription drugs. Any account established for the purchase of  
8 prescription drugs shall bear the name of the licensed or authorized person.

9 **SECTION 3530h.** 450.073 of the statutes is created to read:

10 **450.073 Wholesale distributors; pedigree.** (1) A wholesale distributor  
11 shall establish and maintain a pedigree for each prescription drug that leaves, or has  
12 ever left, the normal distribution channel. Before a wholesale distribution of a  
13 prescription drug leaves the normal distribution channel, a wholesale distributor  
14 shall provide a copy of the pedigree to the person receiving the drug. This section  
15 does not apply to a retail pharmacy or pharmacy intracompany warehouse unless the  
16 pharmacy or pharmacy intracompany warehouse engages in the wholesale  
17 distribution of prescription drugs.

18 (2) A pedigree shall contain all necessary identifying information concerning  
19 each sale in the chain of the distribution of the prescription drug from the  
20 manufacturer of the prescription drug or the manufacturers 3rd-party logistics  
21 provider, colicensed product partner, or exclusive distributor until final sale or  
22 distribution to a pharmacy or a person dispensing or distributing the prescription  
23 drug. The pedigree shall include all of the following:

1           (a) The name, address, telephone number, and, if available, electronic mail  
2 address of each recipient or distributor of the prescription drug in the chain of  
3 distribution, until the final sale or distribution described in sub. (2) (intro.).

4           (b) The name and address of each facility from which the prescription drug was  
5 distributed, if different from the address provided in par. (a).

6           (c) The date of each distribution.

7           (d) A certification that every recipient has authenticated the pedigree before  
8 distribution of the prescription drug to the next point in the chain of distribution.

9           (e) The name, dosage strength, size and number of containers, lot number, and  
10 name of the manufacturer for each prescription drug.

11           **(3)** The board shall promulgate rules implementing an electronic track and  
12 trace pedigree system. Not later than July 1, 2010, the board shall determine the  
13 date on which the system will be implemented. The system may not be implemented  
14 before July 1, 2011, and the board may delay the implementation date in increments  
15 if the board determines that the technology to implement the system is not yet  
16 universally available across the prescription drug supply chain or is not capable of  
17 adequately protecting patient safety.

18           **(4)** A person who is engaged in the wholesale distribution of a prescription  
19 drug, including a repackager but not including the original manufacturer of the  
20 prescription drug, who possesses a pedigree for the prescription drug, and who  
21 intends to further distribute the prescription drug, shall verify that each transaction  
22 recorded on the pedigree has occurred before the person may distribute the  
23 prescription drug.

24           **(5)** (a) A pedigree shall be maintained by a person who purchases prescription  
25 drugs identified in the pedigree and by a wholesale distributor who distributes



1 prescription drugs identified in the pedigree for not less than 3 years from the date  
2 of sale or distribution.

3 (b) A person maintaining a pedigree under par. (a) shall make the pedigree  
4 available for inspection or use by a law enforcement officer within 7 days after the  
5 law enforcement officer's request.

6 **SECTION 3530i.** 450.074 of the statutes is created to read:

7 **450.074 Wholesale distributors; prohibited actions, enforcement,**  
8 **penalties.** (1) If the board finds that there is a reasonable probability that a  
9 wholesale distributor, other than a manufacturer, has done any of the following, that  
10 continued distribution of a prescription drug involved in the occurrence could cause  
11 death or serious adverse health consequences, and that additional procedures would  
12 result in an unreasonable delay, the board shall issue an order requiring that  
13 distribution of a prescription drug in this state cease immediately:

14 (a) Violated a provision of ss. 450.071 to 450.073.

15 (b) Falsified a pedigree or sold, distributed, transferred, manufactured,  
16 repackaged, handled, or held a counterfeit prescription drug intended for human  
17 use.

18 (2) If the board issues an order under sub. (1), the board shall provide the  
19 person who is the subject of the order an opportunity for an informal hearing not  
20 more than 10 days after the date on which the order is issued. If, after a hearing, the  
21 board determines that the order was issued without sufficient grounds, the board  
22 shall vacate the order.

23 (3) Any person who knowingly does any of the following is guilty of a Class H  
24 felony:

25 (a) Fails to obtain a license required under s. 450.071.

1 (b) Purchases or otherwise receives a prescription drug from a pharmacy in  
2 violation of s. 450.072 (1).

3 (c) Violates s. 450.072 (2) (a), if the person is required to obtain a license under  
4 s. 450.071.

5 (d) Violates s. 450.072 (2) (b).

6 (e) Violates s. 450.072 (2) (d).

7 (f) Violates s. 450.073.

8 (g) Provides false or fraudulent records to, or makes a false or fraudulent  
9 statement to, the board, a representative of the board, or a federal official.

10 (h) Obtains or attempts to obtain a prescription drug by fraud, deceit, or  
11 misrepresentation, or engages in misrepresentation or fraud in the distribution of  
12 a prescription drug.

13 (i) Manufactures, repackages, sells, transfers, delivers, holds, or offers for sale  
14 a prescription drug that is adulterated, misbranded, counterfeit, suspected of being  
15 counterfeit, or otherwise unfit for distribution, except for wholesale distribution by  
16 a manufacturer of a prescription drug that has been delivered into commerce  
17 pursuant to an application approved by the federal food and drug administration.

18 (j) Adulterates, misbrands, or counterfeits a prescription drug, except for  
19 wholesale distribution by a manufacturer of a prescription drug that has been  
20 delivered into commerce pursuant to an application approved by the federal food and  
21 drug administration.

22 (k) Receives a prescription drug that has been adulterated, misbranded, stolen,  
23 obtained by fraud or deceit, counterfeited, or suspected of being counterfeited, and  
24 delivers or proffers such a drug.

1 (L) Alters, mutilates, destroys, obliterates, or removes any part of the labeling  
2 of a prescription drug or commits another act that results in the misbranding of a  
3 prescription drug.

4 (4) Subsection (3) does not apply to a prescription drug manufacturer or an  
5 agent of a prescription drug manufacturer, if the manufacturer or agent is obtaining  
6 or attempting to obtain a prescription drug for the sole purpose of testing the  
7 authenticity of the prescription drug.”.

8 **190.** Page 1415, line 20: delete lines 20 to 22.

9 **191.** Page 1423, line 13: delete the material beginning with that line and  
10 ending with page 1424, line 17.

11 **192.** Page 1428, line 16: after that line insert:

12 “**SECTION 3701c.** 655.26 (2) of the statutes is amended to read:

13 655.26 (2) By the 15th day of each month, the board of governors shall report  
14 the information specified in sub. (1) to the medical examining board for each claim  
15 paid by the fund or from the appropriation under s. 20.145 (2) (a) during the previous  
16 month for damages arising out of the rendering of health care services by a health  
17 care provider or an employee of a health care provider.”.

18 **193.** Page 1429, line 6: after that line insert:

19 “**SECTION 3702d.** 655.27 (3) (a) 5. of the statutes is created to read:

20 655.27 (3) (a) 5. The supplemental appropriation under s. 20.145 (2) (a) for  
21 payment of claims.

22 **SECTION 3702f.** 655.27 (3) (am) of the statutes is amended to read:

23 655.27 (3) (am) *Assessments for peer review council.* The fund, a mandatory  
24 health care liability risk-sharing plan established under s. 619.04, and a private

1 health care liability insurer shall be assessed, as appropriate, fees sufficient to cover  
2 the costs of the injured patients and families compensation fund peer review council,  
3 including costs of administration, for reviewing claims paid by the fund, or from the  
4 appropriation under s. 20.145 (2) (a), by the plan, and by the insurer, respectively,  
5 under s. 655.275 (5). The fees shall be set by the commissioner by rule, after approval  
6 by the board of governors, and shall be collected by the commissioner for deposit in  
7 the fund. The costs of the injured patients and families compensation fund peer  
8 review council shall be funded from the appropriation under s. 20.145 (2) (um).

9 **SECTION 3702h.** 655.27 (4) (a) of the statutes is amended to read:

10 655.27 (4) (a) Moneys shall be withdrawn from the fund, or paid from the  
11 appropriation under s. 20.145 (2) (a), by the commissioner only upon vouchers  
12 approved and authorized by the board of governors.

13 **SECTION 3702j.** 655.27 (5) (e) of the statutes is amended to read:

14 655.27 (5) (e) Claims filed against the fund shall be paid in the order received  
15 within 90 days after filing unless appealed by the fund. If the amounts in the fund  
16 are not sufficient to pay all of the claims, claims received after the funds are  
17 exhausted shall be ~~immediately payable the following year in the order in which they~~  
18 were received paid from the appropriation under s. 20.145 (2) (a).

19 **SECTION 3702L.** 655.275 (5) (a) (intro.) of the statutes is amended to read:

20 655.275 (5) (a) (intro.) The council shall review, within one year of the date of  
21 first payment on the claim, each claim that is paid by the fund, or from the  
22 appropriation under s. 20.145 (2) (a), by a mandatory health care liability  
23 risk-sharing plan established under s. 619.04, by a private health care liability  
24 insurer, or by a self-insurer for damages arising out of the rendering of medical care

1 by a health care provider or an employee of the health care provider and shall make  
2 recommendations to all of the following.”.

3 **194.** Page 1432, line 18: delete lines 18 and 19 and substitute:

4 “758.19 (5) (a) (intro.) In this subsection, “circuit court costs” means one or more  
5 of the following costs”.

6 **195.** Page 1432, line 20: delete the material beginning with that line and  
7 ending with page 1433, line 8.

8 **196.** Page 1433, line 9: delete lines 9 to 11 and substitute:

9 “**SECTION 3710n.** 758.19 (5) (a) 3. of the statutes is amended to read:

10 758.19 (5) (a) 3. Witness fees set under s. 814.67 (1) (b) 1. and (c) for”.

11 **197.** Page 1433, line 18: delete lines 18 to 20 and substitute:

12 “**SECTION 3711n.** 758.19 (5) (a) 4m. of the statutes is amended to read:

13 758.19 (5) (a) 4m. Fees for expert witnesses appointed under s. 907.06 by the”.

14 **198.** Page 1434, line 3: delete lines 3 to 5 and substitute:

15 “**SECTION 3712n.** 758.19 (5) (a) 5. of the statutes is amended to read:

16 758.19 (5) (a) 5. Fees for witnesses or expert witnesses subpoenaed by the”.

17 **199.** Page 1434, line 8: delete lines 8 and 9.

18 **200.** Page 1434, line 10: delete lines 10 to 12 and substitute:

19 “**SECTION 3713n.** 758.19 (5) (a) 8. of the statutes is amended to read:

20 758.19 (5) (a) 8. Any other circuit court costs, except costs related to”.

21 **201.** Page 1482, line 1: delete lines 1 to 4.

22 **202.** Page 1487, line 13: delete lines 13 to 24.

**203.** Page 1490, line 8: delete the material beginning with that line and ending with page 1491, line 2.

**204.** Page 1491, line 20: delete the material beginning with that line and ending with page 1492, line 16.

**205.** Page 1518, line 10: delete “0” and substitute “40,500,000” and adjust the appropriate totals accordingly.

**206.** Page 1519, line 5: after that line insert (and adjust the appropriate totals accordingly):

*“4. Projects financed by existing program revenue*

*supported borrowing authority:*

Eau Claire — Davies Center addition and remodeling or replacement

8,510,400

(Total project all funding sources \$48,802,200)”.

**207.** Page 1519, line 6: after that line insert (and adjust the appropriate totals accordingly):

“Eau Claire — Davies Center addition and remodeling or replacement

8,885,000

(Total project all funding sources \$48,802,200)”.

**208.** Page 1519, line 19: delete lines 19 to 21 and adjust the appropriate totals accordingly.

**209.** Page 1520, line 10: delete “0” and substitute “11,500,000” and adjust the appropriate totals accordingly.

**210.** Page 1521, line 4: delete that line and substitute:

1 "Existing program revenue supported borrowing

2 authority 8,510,400

3 Program revenue 14,735,000".

4 **211.** Page 1521, line 6: delete "136,422,400" and substitute "119,027,000".

5 **212.** Page 1524, line 12: delete "7,965,000" and substitute "5,965,000".

6 **213.** Page 1524, line 14: delete "131,719,900" and substitute "109,719,900".

7 **214.** Page 1524, line 16: delete "12,697,400" and substitute "11,697,400".

8 **215.** Page 1524, line 18: delete "10,000,000" and substitute "8,500,000".

9 **216.** Page 1524, line 20: delete "4,000,000" and substitute "3,000,000".

10 **217.** Page 1524, line 22: delete "14,480,500" and substitute "12,980,500".

11 **218.** Page 1525, line 2: delete "60,052,000" and substitute "49,052,000".

12 **219.** Page 1525, line 7: delete "131,719,900" and substitute "109,719,900".

13 **220.** Page 1525, line 12: delete "131,719,900" and substitute "109,719,900".

14 **221.** Page 1525, line 14: delete "10,000,000" and substitute "8,500,000".

15 **222.** Page 1525, line 16: delete "12,697,400" and substitute "11,697,400".

16 **223.** Page 1525, line 18: delete "14,480,500" and substitute "12,980,500".

17 **224.** Page 1525, line 20: delete "60,052,000" and substitute "49,052,000".

18 **225.** Page 1526, line 2: delete "131,719,900" and substitute "109,719,900".

19 **226.** Page 1526, line 6: delete "131,719,900" and substitute "109,719,900".

20 **227.** Page 1526, line 9: delete "7,965,000" and substitute "5,965,000".

21 **228.** Page 1526, line 11: delete "131,719,900" and substitute "109,719,900".

- 1           **229.** Page 1526, line 13: delete “12,697,400” and substitute “11,697,400”.
- 2           **230.** Page 1526, line 15: delete “14,480,500” and substitute “12,980,500”.
- 3           **231.** Page 1526, line 17: delete “4,000,000” and substitute “3,000,000”.
- 4           **232.** Page 1526, line 19: delete “60,052,000” and substitute “49,052,000”.
- 5           **233.** Page 1526, line 22: delete “131,719,900” and substitute “109,719,900”.
- 6           **234.** Page 1527, line 3: delete “12,697,400” and substitute “11,697,400”.
- 7           **235.** Page 1527, line 6: delete “7,965,000” and substitute “5,965,000”.
- 8           **236.** Page 1527, line 8: delete “14,480,500” and substitute “12,980,500”.
- 9           **237.** Page 1527, line 10: delete “60,052,000” and substitute “49,052,000”.
- 10          **238.** Page 1527, line 13: delete “131,719,900” and substitute “109,719,900”.
- 11          **239.** Page 1527, line 15: delete “14,480,500” and substitute “12,980,500”.
- 12          **240.** Page 1527, line 17: delete “60,052,000” and substitute “49,052,000”.
- 13          **241.** Page 1528, line 11: delete “415,059,500” and substitute “412,309,500”.
- 14          **242.** Page 1528, line 17: after that line insert:
- 15                “Total existing program revenue supported
- 16                        borrowing authority   8,510,400”.
- 17          **243.** Page 1529, line 1: delete “32,894,900” and substitute “41,779,900”.
- 18          **244.** Page 1529, line 4: delete “148,379,400” and substitute “130,984,000”.
- 19          **245.** Page 1529, line 6: delete “1,082,750,000” and substitute “1,183,000,000”.
- 20          **246.** Page 1537, line 11: after that line insert:
- 21                “(10q)   GRANTS FOR MANUFACTURING DEVALUATION PROPERTY TAX LOSSES.
- 22       Notwithstanding section 560.61 of the statutes, as affected by this act, the



1 department of commerce shall award grants in the 2007-08 fiscal year from the  
2 appropriation account under section 20.143 (1) (c) of the statutes, as affected by this  
3 act, to municipalities that have experienced manufacturing devaluation property  
4 tax loss in the counties of Wood, Adams, and Portage. The total amount of all grants  
5 awarded under this subsection may not exceed \$360,000. The department shall enter  
6 into an agreement with each municipality that specifies the uses for the grant  
7 proceeds and reporting and auditing requirements.”.

8 **247.** Page 1541, line 6: after that line insert:

9 “(4q) DISTRICT ATTORNEY POSITION; ST. CROIX COUNTY. From the appropriation  
10 account under section 20.505 (6) (p) of the statutes, the office of justice assistance in  
11 the department of administration shall expend \$32,400 in fiscal year 2007-08 and  
12 \$64,800 in fiscal year 2008-09 to fund 1.0 assistant district attorney position in St.  
13 Croix County.

14 (4r) DISTRICT ATTORNEY POSITION; CHIPPEWA COUNTY. From the appropriation  
15 account under section 20.505 (6) (p) of the statutes, the office of justice assistance in  
16 the department of administration shall expend \$16,700 in fiscal year 2007-08 and  
17 \$16,700 in fiscal year 2008-09 to fund 0.25 assistant district attorney position in  
18 Chippewa County.”.

19 **248.** Page 1553, line 23: delete the material beginning with that line and  
20 ending with page 1555, line 4.

21 **249.** Page 1558, line 22: delete the material beginning with that line and  
22 ending with page 1559, line 4.

23 **250.** Page 1561, line 4: delete the material beginning with “a total” and  
24 ending with “are lapsed” on line 5 and substitute “\$6,305,600 is lapsed”.

1           **251.** Page 1565, line 3: delete lines 3 to 20.

2           **252.** Page 1567, line 22: after that line insert:

3           “(1j) WHOLESALE PRESCRIPTION DRUG DISTRIBUTORS. Using the procedure under  
4           section 227.24 of the statutes, the department of regulation and licensing shall  
5           promulgate rules necessary to administer sections 450.071, 450.072, 450.073, and  
6           450.074 of the statutes, as created by this act, for the period before the effective date  
7           of permanent rules necessary to administer sections 450.071, 450.072, 450.073, and  
8           450.074 of the statutes. Notwithstanding section 227.24 (1) (c) and (2) of the statutes,  
9           emergency rules promulgated under this subsection remain in effect until March 1,  
10          2008, or the date on which permanent rules take effect, whichever is sooner.  
11          Notwithstanding section 227.24 (1) (a) and (3) of the statutes, the department is not  
12          required to provide evidence that promulgating a rule under this subsection as an  
13          emergency rule is necessary for the preservation of the public peace, health, safety,  
14          or welfare and is not required to provide a finding of emergency for a rule  
15          promulgated under this subsection.”.

16          **253.** Page 1570, line 1: delete lines 1 to 4.

17          **254.** Page 1570, line 7: delete lines 7 to 15.

18          **255.** Page 1573, line 1: delete lines 1 to 5.

19          **256.** Page 1580, line 8: delete “state”.

20          **257.** Page 1580, line 9: delete “operations”.

21          **258.** Page 1580, line 11: delete that line and substitute “to \$200,000,000  
22          during the 2007-09 fiscal biennium and \$200,000,000 during the 2009-11 fiscal  
23          biennium.”.

**259.** Page 1580, line 16: delete “state operations”.

**260.** Page 1580, line 19: delete lines 19 and 20 and substitute “amount equal to \$25,000,000 during the 2007–09 fiscal biennium and \$25,000,000 during the 2009–11 fiscal biennium.”.

**261.** Page 1581, line 1: delete lines 1 and 2 and substitute “appropriations of federal revenues, an amount equal to \$1,000,000 during the 2007–09 fiscal biennium and \$1,000,000 during the 2009–11 fiscal biennium.”.

**262.** Page 1585, line 3: delete “\$101,000,000” and substitute “\$71,500,000”.

**263.** Page 1585, line 4: delete “\$74,000,000” and substitute “\$128,500,000”.

**264.** Page 1593, line 20: after that line insert:

“(1f) DISPUTE RESOLUTION; FIRE FIGHTERS. The treatment of section 111.70 (4) (c) 2. b. and (mc) of the statutes first applies to fire fighters who are affected by a collective bargaining agreement that contains provisions that are inconsistent with that treatment on the day on which the agreement expires, or is extended, modified, or renewed, whichever occurs first.”.

**265.** Page 1597, line 4: delete lines 4 to 24.

**266.** Page 1598, line 24: after that line insert:

“(2c) STEWARDSHIP APPRAISALS. The treatment of section 23.0917 (7) (e) of the statutes first applies to estimates made by the department of natural resources on the effective date of this subsection.”.

**267.** Page 1600, line 21: delete lines 21 to 23.

**268.** Page 1602, line 24: after that line insert:

1 “(16c) HIGH DENSITY SEQUENCING SYSTEMS. The treatment of section 70.111 (26)  
2 of the statutes first applies to the property tax assessments as of January 1, 2008.”.

3 **269.** Page 1603, line 6: delete “(intro.),”.

4 **270.** Page 1603, line 7: delete “and (bm) and (8) (b) and (bm)”.

5 **271.** Page 1603, line 9: delete lines 9 to 11.

6 **272.** Page 1604, line 4: delete lines 4 to 6.

7 **273.** Page 1604, line 15: after that line insert:

8 “(1f) FIRE FIGHTERS; APPEAL OF DISCIPLINE. The treatment of section 62.13 (5) (i)  
9 of the statutes first applies to a fire fighter who is suspended, reduced, suspended  
10 and reduced, or removed on the effective date of this subsection.”.

11 **274.** Page 1607, line 18: after “(jz)” insert “(by SECTION 393)”.

12 **275.** Page 1607, line 23: after “(24g),” insert “(24r),”.

13 **276.** Page 1608, line 18: delete lines 18 and 19.

14 **277.** Page 1608, line 20: delete lines 20 and 21.

15 **278.** Page 1609, line 14: delete lines 14 to 17.

16 **279.** Page 1610, line 3: after “statutes,” insert “the repeal and recreation of  
17 section 227.19 (2) of the statutes,”.

18 **280.** Page 1610, line 10: delete “227.19 (2)”.

19 **281.** Page 1611, line 14: after that line insert:

20 “(1j) WHOLESALE PRESCRIPTION DRUG DISTRIBUTORS. The treatment of sections  
21 440.08 (2) (a) 28., 440.08 (2) (a) 72., 450.01 (12), 450.07 (title), (2), (3), and (4) (c),  
22 450.071, 450.072, 450.073, and 450.074 of the statutes takes effect on June 1, 2008.”.

**282.** Page 1612, line 1: delete "450.07 (1),".

**283.** Page 1612, line 23: delete the material beginning with that line and ending with page 1615, line 3.

**284.** Page 1615, line 17: after "139.32 (5)," insert "139.75 (5d) and (12),".

**285.** Page 1615, line 18: delete "on September 1, 2007, or".

**286.** Page 1615, line 19: after that line insert:

"(6n) LOCAL LEVY LIMITS. The repeal of section 66.0602 of the statutes takes effect on November 30, 2009."

**287.** Page 1615, line 19: delete ", whichever is later".

**288.** Page 1615, line 22: after "(1j)" insert ", 77.52 (2) (a) 11.,".

**289.** Page 1615, line 23: delete lines 23 and 24 and substitute "and 77.54 (25) and (25m) of the statutes takes effect on April 1, 2009."

**290.** Page 1615, line 24: after that line insert:

"(13d) BREWERS AND BREWPUBS. The treatment of sections 125.02 (2), (2d) (intro.), (2h), (2p), (2t), and (21), 125.04 (9), 125.07 (4) (bm) 1., 125.10 (4), 125.25 (2) (b) 5., 125.26 (2) (b) 1., 125.28 (2) (b) 1. e. and 2., 125.29 (5) and (6), 125.295, 125.31 (1) (a) 1. (intro.) and a. to e., 2., 3., and 4., 125.32 (5) and (7) (a), 125.33 (title), (1), (2) (intro.), (a), (d), (j), (k), (L) 2., 3., and 4., (n) 2., and (p) 1., (2s), (6), (7) (a) 1. a. and b., (b), (c), and (d), (7m), (8), (9), (10) (a) 1. to 4., (b), and (c) 1. and 3., and (11), 125.34 (title), (1) (a) and (c), (2) (a), (bg), and (bm), (3) (a) 1. and 2., (4) (a), and (5), 125.69 (1) (d), 139.01 (1), (2), (2c), and (2e), 139.04 (2), 139.05 (2) and (7) (a) and (b), 139.08 (4), 139.09, 139.11 (2), (3), and (4) (a) (by SECTION 2780em), 139.18 (1), 139.22, and 346.93 (1) of the statutes takes effect on the 30th day beginning after publication."

1       **291.** Page 1616, line 4: after that line insert:

2           “(1d) LEVY LIMIT. The repeal of section 38.17 of the statutes takes effect on  
3           November 30, 2009.”.

4 **292.** Page 1616, line 7: delete lines 7 to 11.

5 **293.** Page 1617, line 13: delete lines 13 to 17.

6 (END)